

House File 666 - Reprinted

HOUSE FILE 666

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 277)

(SUCCESSOR TO HSB 113)

(As Amended and Passed by the House April 11, 2023)

A BILL FOR

1 An Act providing for programs and regulations administered
2 and enforced by the department of agriculture and land
3 stewardship, providing fees, providing for the allocation of
4 moneys, making penalties applicable, and including effective
5 date provisions.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

REGULATION OF COMMERCIAL ESTABLISHMENTS

Section 1. Section 162.2, subsection 19, Code 2023, is amended by striking the subsection and inserting in lieu thereof the following:

19. "Pet shop" means a facility where vertebrate animals, excluding fish, not born and reared on the facility's premises are bought, sold, exchanged, or offered for sale or exchange to the public, at retail. "Pet shop" does not include a facility if one of the following applies:

a. The facility receives less than one thousand dollars from the sale or exchange of vertebrate animals, excluding fish, during a twelve-month period.

b. The facility sells or exchanges less than twelve vertebrate animals, excluding fish, during a twelve-month period.

Sec. 2. Section 162.2A, subsection 3, paragraph d, Code 2023, is amended to read as follows:

~~d. The person's~~ An official government-issued photo identification number of the person. ~~Notwithstanding chapter 22, the department shall keep the person's tax identification number confidential except for purposes of tax administration by the department of revenue, including as provided in section 421.18.~~

DIVISION II

GRAIN REGULATION

PART A

GRAIN DEALERS

Sec. 3. Section 203.1, Code 2023, is amended by adding the following new subsection:

NEW SUBSECTION. 12A. "Scale weight ticket" means the same as defined in section 203C.1.

Sec. 4. Section 203.5, subsection 8, paragraph a, Code 2023, is amended to read as follows:

a. The applicant has caused liability to the Iowa grain

1 depositors and sellers indemnity fund in regard to a license
2 issued under [this chapter](#) or [chapter 203C](#), and the liability
3 has not been discharged, settled, or satisfied.

4 Sec. 5. Section 203.11, subsection 2, paragraph a,
5 subparagraph (3), Code 2023, is amended to read as follows:

6 (3) Uses a scale weight ticket or credit-sale contract in
7 violation of [this chapter](#) or a requirement established by the
8 department under [this chapter](#).

9 Sec. 6. Section 203.15, subsection 2, paragraph f, Code
10 2023, is amended to read as follows:

11 f. The duration of the credit-sale contract, which shall
12 not exceed ~~twelve~~ fifteen months from the date the contract is
13 executed.

14 Sec. 7. Section 203.17, Code 2023, is amended to read as
15 follows:

16 **203.17 Documents and records.**

17 1. The department may adopt rules specifying the form,
18 content, use, and maintenance of documents issued by a grain
19 dealer under [this chapter](#) including but not limited to scale
20 weight tickets, settlement sheets, daily position records, and
21 credit-sale contracts. The department may adopt rules for
22 both printed and electronic documents, including rules for
23 the transmission, receipt, authentication, and archiving of
24 electronically generated or stored documents.

25 2. All scale weight ticket forms in the possession of a
26 grain dealer shall have been permanently and consecutively
27 numbered at the time of printing. A grain dealer shall
28 maintain an accurate record of all scale weight ticket numbers.
29 The record shall include the disposition of each numbered form,
30 whether issued, destroyed, or otherwise disposed of.

31 Sec. 8. Section 203.20, Code 2023, is amended to read as
32 follows:

33 **203.20 Shrinkage adjustments — disclosures — penalties.**

34 1. A person who, in connection with the receipt of
35 ~~corn or soybeans~~ grain for storage, processing, or sale,

1 adjusts the scale weight of the grain to compensate for the
2 moisture content of the grain shall compute the amount of
3 the adjustment by multiplying the scale weight of the grain
4 by that factor which results in a rate of adjustment of one
5 and eighteen hundredths percent of weight per one percent of
6 moisture content. ~~The use of~~ person who uses any rate of
7 weight adjustment for moisture content other than the one
8 prescribed by this subsection ~~is~~ commits a fraudulent practice
9 as defined in section 714.8. The person shall post on the
10 business premises in a conspicuous place notice of the rate
11 of adjustment for moisture content ~~that is~~ as prescribed by
12 this subsection. ~~Failure~~ The person who fails to make this
13 disclosure ~~is~~ commits a simple misdemeanor.

14 2. A person who, in connection with the receipt of grain for
15 storage, processing, or sale, adjusts the quantity of the grain
16 received to compensate for losses to be incurred during the
17 handling, processing, or storage of the grain shall post on the
18 business premises in a conspicuous place notice of the rate of
19 adjustment to be made for this shrinkage. ~~Failure~~ The person
20 who fails to make ~~the required~~ this disclosure ~~is~~ commits a
21 simple misdemeanor.

22 3. A person who adjusts the scale weight of ~~corn or soybeans~~
23 ~~both~~ grain for moisture content and for handling, processing,
24 or storage losses may combine the two adjustment factors into
25 a single factor and may use this resulting factor to compute
26 the amount of weight adjustment in connection with storage,
27 processing, or sale transactions, provided that the person
28 shall post on the business premises in a conspicuous place a
29 notice that discloses the moisture shrinkage factor prescribed
30 by subsection 1, the handling shrinkage factor to be imposed,
31 and the single factor that results from combining these
32 factors. ~~Failure~~ The person who fails to make ~~the required~~
33 this disclosure ~~is~~ commits a simple misdemeanor.

34 PART B

35 WAREHOUSE OPERATORS

1 Sec. 9. Section 203C.5, subsection 2, Code 2023, is amended
2 to read as follows:

3 2. a. The department may adopt rules specifying the
4 form, content, and use of documents issued by a warehouse
5 operator under this chapter including but not limited to scale
6 weight tickets, warehouse receipts, settlement sheets, and
7 daily position records. The department may adopt rules for
8 both printed and electronic documents, including rules for
9 the transmission, receipt, authentication, and archiving of
10 electronically generated or stored documents.

11 b. All scale weight ticket forms and warehouse receipt
12 forms in the possession of a warehouse operator shall have been
13 permanently and consecutively numbered at the time of printing.
14 A warehouse operator shall maintain an accurate record of
15 the numbers of these documents. The record shall include
16 the disposition of each form, whether issued, destroyed, or
17 otherwise disposed of. The department may by rule require this
18 use of prenumbered forms and recording for documents other than
19 scale weight tickets and warehouse receipts.

20 Sec. 10. Section 203C.6, subsection 8, paragraph a, Code
21 2023, is amended to read as follows:

22 a. The applicant has caused liability to the Iowa grain
23 depositors and sellers indemnity fund through operations under
24 a license issued under this chapter or chapter 203, and the
25 liability has not been discharged, settled, or satisfied.

26 Sec. 11. Section 203C.17, subsections 1, 2, 3, 4, and 5,
27 Code 2023, are amended to read as follows:

28 1. ~~Any grain which has been received at any~~ Grain deposited
29 with a licensed warehouse operator for which the actual sale
30 price ~~is~~ has not been fixed and either proper documentation
31 ~~made~~ has not been furnished or payment has not been made shall
32 be ~~construed to be grain held for storage within the meaning of~~
33 this chapter. ~~Grain may be held~~ considered stored grain and
34 may be retained in open storage or placed ~~on~~ under warehouse
35 receipt. ~~A warehouse receipt shall be issued for all grain~~

1 ~~held in open storage within one year from the date of delivery~~
2 ~~to the warehouse, unless the depositor has signed a statement~~
3 ~~that the depositor does not desire a warehouse receipt. A The~~
4 licensed warehouse operator shall issue a warehouse receipt
5 ~~shall be issued to the depositor upon request by the depositor.~~
6 The warehouse operator's tariff shall apply ~~for~~ to any grain
7 that is retained in open storage or placed under warehouse
8 receipt as provided in section 203C.18.

9 2. Bulk grain deposited with a licensed warehouse operator
10 for processing, cleaning, drying, shipping for the account of
11 the depositor, or any other purpose shall be removed within
12 thirty days from the date of deposit or such grain shall be
13 ~~determined as considered~~ stored grain ~~and the.~~ The warehouse
14 operator's tariff ~~charges~~ shall apply to the bulk grain as
15 provided in section 203C.28.

16 3. Grain ~~received on~~ deposited and subject to a scale weight
17 ticket ~~which~~ that fails to have the price fixed and properly
18 documented on the records of the licensed warehouse operator
19 shall be ~~construed to be~~ retained in open storage.

20 4. All bulk grain whether retained in open storage and
21 deposited subject to a scale weight ticket or ~~having been~~
22 placed ~~on~~ under warehouse receipt is covered by the grain
23 depositors and sellers indemnity fund ~~created in~~ as provided in
24 chapter 203D.

25 5. Any grain which has been received at any An unlicensed
26 warehouse ~~and for which the~~ operator shall not retain deposited
27 bulk grain, if its actual sale price has not been fixed, and
28 payment for the bulk grain has not been made within thirty days
29 ~~from receipt of the grain~~ its date of deposit, unless covered
30 purchased by a credit-sale contract, ~~shall be construed to be~~
31 ~~unlawful storage within the meaning of~~ this chapter. Bulk
32 ~~grain received at any~~ An unlicensed warehouse ~~for any~~ operator
33 who retains deposited bulk gain under any other purpose
34 circumstance must either be returned return the bulk grain to
35 the depositor, ~~or disposed of~~ dispose of the bulk grain by

1 order of the depositor, within thirty days from date of ~~actual~~
2 the deposit of the bulk grain.

3 Sec. 12. Section 203C.25, Code 2023, is amended to read as
4 follows:

5 **203C.25 Shrinkage adjustments — disclosures — penalties.**

6 1. A person who, in connection with the receipt of
7 ~~corn or soybeans~~ grain for storage, processing, or sale,
8 adjusts the scale weight of the grain to compensate for the
9 moisture content of the grain shall compute the amount of
10 the adjustment by multiplying the scale weight of the grain
11 by that factor which results in a rate of adjustment of one
12 and eighteen hundredths percent of weight per one percent of
13 moisture content. ~~The use of~~ person who uses any rate of
14 weight adjustment for moisture content other than the one
15 prescribed by this subsection ~~is~~ commits a fraudulent practice
16 as defined in section 714.8. The person shall post on the
17 business premises in a conspicuous place notice of the rate
18 of adjustment for moisture content ~~that is~~ as prescribed by
19 this subsection. ~~Failure~~ The person who fails to make this
20 disclosure ~~is~~ commits a simple misdemeanor.

21 2. A person who, in connection with the receipt of grain for
22 storage, processing, or sale, adjusts the quantity of the grain
23 received to compensate for losses to be incurred during the
24 handling, processing, or storage of the grain shall post on the
25 business premises in a conspicuous place notice of the rate of
26 adjustment to be made for this shrinkage. ~~Failure~~ The person
27 who fails to make ~~the required~~ this disclosure ~~is~~ commits a
28 simple misdemeanor.

29 3. A person who adjusts the scale weight of ~~corn or soybeans~~
30 ~~both~~ grain for moisture content and for handling, processing,
31 or storage losses may combine the two adjustment factors into
32 a single factor and may use this resulting factor to compute
33 the amount of weight adjustment in connection with storage,
34 processing, or sale transactions, provided that the person
35 shall post on the business premises in a conspicuous place a

1 notice that discloses the moisture shrinkage factor prescribed
2 by [subsection 1](#), the handling shrinkage factor to be imposed,
3 and the single factor that results from combining these
4 factors. ~~Failure~~ The person who fails to make the required
5 this disclosure is commits a simple misdemeanor.

6 Sec. 13. Section 203C.36, subsection 2, paragraph a,
7 subparagraph (3), Code 2023, is amended to read as follows:

8 (3) Uses a scale weight ticket, warehouse receipt, or
9 other document in violation of [this chapter](#) or requirements
10 established by the department under [this chapter](#).

11 PART C

12 INDEMNITY FUND

13 Sec. 14. Section 203D.1, Code 2023, is amended by adding the
14 following new subsection:

15 NEW SUBSECTION. 14A. *"Scale weight ticket"* means the same
16 as defined in section 203C.1.

17 Sec. 15. Section 203D.3, subsection 3, Code 2023, is amended
18 to read as follows:

19 3. The ~~fiscal~~ assessment year of the fund begins July
20 September 1 and ends on ~~June 30~~ August 31. ~~Fiscal Assessment~~
21 quarters of the fund begin July September 1, ~~October~~ December
22 1, ~~January~~ March 1, and ~~April~~ June 1. The finances of the fund
23 shall be calculated on an accrual basis in accordance with
24 generally accepted accounting principles.

25 Sec. 16. Section 203D.3A, subsection 1, paragraph b,
26 unnumbered paragraph 1, Code 2023, is amended to read as
27 follows:

28 A licensee shall pay a participation fee on four successive
29 installment dates, with each installment date occurring on the
30 last date of the fund's ~~fiscal~~ assessment quarter as provided
31 in [section 203D.3](#). The licensee shall pay twenty-five percent
32 of the total participation fee assessed on each installment
33 date. However, nothing in [this subsection](#) prevents a licensee
34 from paying the participation fee on an accelerated basis. A
35 licensee shall pay the first installment on the last date of

1 the fund's ~~fiscal~~ assessment quarter immediately following the
2 licensee's anniversary date.

3 Sec. 17. Section 203D.5, subsection 1, Code 2023, is amended
4 to read as follows:

5 1. The board shall annually review the debits of and credits
6 to the grain depositors and sellers indemnity fund created
7 in [section 203D.3](#) and shall determine whether to impose the
8 participation fee and per-bushel fee as provided in section
9 203D.3A, make adjustments to the fees effective on the previous
10 ~~July~~ September 1, or waive the fees as necessary to comply with
11 this section. The board shall make the determination not later
12 than May 1 of each year. The board shall impose the fees or
13 adjust the fees effective on the previous ~~July~~ September 1 in
14 accordance with [chapter 17A](#). The imposition or adjustment of
15 the fees shall become effective as follows:

16 a. For the participation fee, on the following ~~July~~
17 September 1. However, the licensee shall continue to pay the
18 participation fee at the rate in effect on the prior ~~July~~
19 September 1, until the licensee has paid the amount owing.

20 b. For a per-bushel fee, on the following ~~July~~ September 1.

21 Sec. 18. Section 203D.5, subsection 4, Code 2023, is amended
22 to read as follows:

23 4. If on the last date of the fund's ~~fiscal~~ assessment year
24 as provided in [section 203D.3](#) the assets of the fund exceed
25 eight million dollars, less any encumbered balances or pending
26 or unsettled claims, all of the following apply:

27 a. The participation fee shall be waived and shall not be
28 assessable or owing for the following ~~fiscal~~ assessment year
29 of the fund. However, the licensee shall continue to pay any
30 owing participation fee that was in effect on the prior ~~July~~
31 September 1.

32 b. The per-bushel fee shall be waived and shall not be
33 assessable or owing.

34 PART D

35 EFFECTIVE DATE

1 Sec. 19. EFFECTIVE DATE. This division of this Act, being
2 deemed of immediate importance, takes effect upon enactment.

3 DIVISION III

4 WEIGHTS AND MEASURES

5 PART A

6 LICENSING, INSPECTIONS, AND FEES

7 Sec. 20. Section 214.2, Code 2023, is amended to read as
8 follows:

9 **214.2 License.**

10 1. A person who uses or displays for use any commercial
11 weighing and measuring device, as defined in ~~section 215.1,~~
12 shall secure must be issued a license from by the department
13 for that device. The department shall issue the license after
14 inspecting the device.

15 2. a. Except as provided in paragraph "b", a license issued
16 under subsection 1 shall expire on December 31 of each year.

17 b. A license issued under subsection 1 for a motor fuel pump
18 shall expire on June 30 of each year.

19 Sec. 21. Section 214.3, subsection 1, Code 2023, is amended
20 by striking the subsection.

21 Sec. 22. Section 214.3, subsection 2, Code 2023, is amended
22 to read as follows:

23 2. The A license inspection fee is imposed on a person
24 who uses or displays for use a commercial weighing and
25 measuring device. The license fee is due the day the device
26 is placed into service department issues the license. A
27 license inspection fee shall be charged to the person owning
28 or operating a commercial weighing and measuring device
29 inspected The amount of the license fee shall be calculated in
30 accordance with the class or section for devices as established
31 by handbook 44 of the United States national institute of
32 standards and technology.

33 Sec. 23. Section 214.11, subsection 1, Code 2023, is amended
34 to read as follows:

35 1. The department shall provide for annual ~~biennial~~

1 inspections of all motor fuel pumps, including but not limited
2 to motor fuel blender pumps, licensed under [this chapter](#).
3 Inspections shall be for the purpose of determining the
4 accuracy and correctness of motor fuel pumps. For that purpose
5 the department's inspectors may enter upon the premises of any
6 a wholesale dealer or a retail dealer motor fuel site.

7 Sec. 24. Section 215.2, Code 2023, is amended to read as
8 follows:

9 **215.2 Special inspection tests — request — fees.**

10 1. The owner or servicer of a commercial weighing and
11 measuring device may request the department conduct a special
12 inspection test of the device to determine its accuracy and
13 correctness.

14 2. The fee for ~~special tests, including but not limited to,~~
15 ~~using state inspection equipment, for the calibration, testing,~~
16 ~~certification, or repair~~ conducting a special inspection test
17 of a commercial weighing and measuring device shall be paid
18 by the owner or servicer ~~or person~~ requesting the special
19 inspection test in accordance with the following schedule:

20 ~~1. a.~~ a. Class S, scales, seventy-five dollars per hour.

21 ~~2. b.~~ b. Class M, meters, fifty-two dollars and fifty cents
22 per hour.

23 Sec. 25. REPEAL. Section 215.12, Code 2023, is repealed.

24 PART B

25 MOTOR FUEL STANDARDS AND CLASSIFICATIONS

26 Sec. 26. Section 159A.6, subsection 1, paragraph c, Code
27 2023, is amended to read as follows:

28 c. Develop standards for decals required pursuant to
29 section ~~214A.16~~ 214A.21A, which shall be designed to promote
30 the advantages of using renewable fuels. The standards may be
31 incorporated within a model decal adopted by the office.

32 Sec. 27. Section 214A.1, subsection 2, Code 2023, is amended
33 to read as follows:

34 2. "ASTM international" means a nonprofit organization,
35 previously named the American society for testing and materials

1 international.

2 Sec. 28. Section 214A.1, Code 2023, is amended by adding the
3 following new subsections:

4 NEW SUBSECTION. 33A. *a.* "Renewable diesel" means a motor
5 fuel for use in an internal combustion engine and ignited by
6 pressure without the presence of an electric spark, which
7 is produced from nonfossil renewable resources, including
8 agricultural plants, animal fats, residue, and waste generated
9 from the production, processing, and marketing of agricultural
10 products, and other renewable resources.

11 *b.* "Renewable diesel" must meet the standards provided in
12 section 214A.2.

13 *c.* "Renewable diesel" does not include any of the following:

14 (1) Biodiesel.

15 (2) A fuel that has been coprocessed.

16 NEW SUBSECTION. 33B. "Renewable diesel blended fuel" means
17 a blend of renewable diesel with petroleum-based diesel fuel,
18 biodiesel, or a combination of petroleum-based diesel fuel and
19 biodiesel, which meets the standards, including separately
20 the standard for its renewable diesel component, provided in
21 section 214A.2.

22 Sec. 29. Section 214A.2, subsection 4, Code 2023, is amended
23 by adding the following new paragraph:

24 NEW PARAGRAPH. *c.* (1) If the motor fuel is advertised
25 for sale or sold as renewable diesel or renewable diesel
26 blended fuel, the motor fuel must meet departmental standards
27 based in part or in whole on specifications adopted by ASTM
28 international for renewable diesel or renewable diesel blended
29 motor fuel, to every extent applicable, as determined by the
30 department subject to subparagraph (2).

31 (2) Renewable diesel must at least meet departmental
32 standards based in whole or in part on ASTM international
33 specification D975, or a successor ASTM international
34 specification, established by rule. The specification shall
35 apply to renewable diesel before it leaves its place of

1 manufacture.

2 Sec. 30. Section 214A.2, subsection 5, Code 2023, is amended
3 by adding the following new paragraph:

4 NEW PARAGRAPH. *d.* (1) Renewable diesel shall be classified
5 RD-100.

6 (2) Renewable diesel blended fuel shall be classified RD-xx
7 where "xx" is the volume percent of renewable diesel.

8 Sec. 31. Section 214A.2B, Code 2023, is amended to read as
9 follows:

10 **214A.2B Laboratory for motor fuel and biofuels fuels,**
11 **biofuels, and renewable fuels.**

12 ~~A laboratory for motor fuel and biofuels is established at a~~
13 ~~community college which is engaged in biofuels testing on July~~
14 ~~1, 2007, and which testing includes but is not limited to The~~
15 ~~Iowa central fuel testing laboratory at Iowa central community~~
16 ~~college shall test motor fuels, biofuels, and renewable fuels,~~
17 ~~including but not limited to B-20 biodiesel fuel testing for~~
18 ~~use by motor trucks and the ability of biofuels to meet ASTM~~
19 ~~international standards. The laboratory shall conduct the~~
20 ~~testing of motor fuel fuels sold in this state and biofuel~~
21 ~~which is biofuels blended in with motor fuel fuels in this~~
22 ~~state to ensure that the motor fuel or fuels, biofuels, and~~
23 ~~renewable fuels meet the requirements departmental standards~~
24 in [section 214A.2](#).

25 PART C

26 CODE EDITOR DIRECTIVE

27 Sec. 32. CODE EDITOR DIRECTIVE.

28 1. The Code editor is directed to make the following
29 transfer:

30 Section 214A.16 to section 214A.21A.

31 2. The Code editor shall correct internal references in the
32 Code and in any enacted legislation as necessary due to the
33 enactment of this section.

34 DIVISION IV

35 WATER QUALITY

1 Sec. 33. Section 466B.43, subsection 6, Code 2023, is
2 amended to read as follows:

3 6. By ~~October 1, 2019, and each~~ October 1 ~~thereafter~~ of
4 each year, the division shall submit a report to the governor
5 and the general assembly itemizing expenditures, by hydrologic
6 unit code 8 watershed, under the programs, if any, during the
7 previous fiscal year, ~~if any~~.

8 Sec. 34. Section 466B.44, subsection 5, Code 2023, is
9 amended to read as follows:

10 5. Notwithstanding any other provision in this section
11 to the contrary, ~~beginning on July 1, 2018,~~ the division
12 may use any amount available to support the water quality
13 urban infrastructure program to instead ~~extend~~ do any of the
14 following:

15 a. Extend and support the three-year data collection of
16 in-field agricultural practices project as enacted in 2015 Iowa
17 Acts, ch. 132, §18.

18 b. Support water quality agriculture infrastructure programs
19 created in section 466B.43, to the extent that moneys are not
20 obligated or encumbered during a fiscal year to adequately
21 support all urban infrastructure program projects that meet the
22 division's requirements.

23 Sec. 35. Section 466B.44, subsection 7, Code 2023, is
24 amended to read as follows:

25 7. By ~~October 1, 2019, and by~~ October 1 of each year
26 ~~thereafter~~, the division shall submit a report to the governor
27 and the general assembly itemizing expenditures under the
28 program, if any, during the previous fiscal year.